



Norman H. Bangerter  
Governor  
Dee C. Hansen  
Executive Director  
Dianne R. Nielson, Ph.D.  
Division Director

# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340

DOGMI  
MINERALS PROGRAM  
FILE COPY

June 6, 1990

Mr. William Moeller  
Chief Executive Officer  
American Consolidated Mining Company  
405 South 100 East, Suite One  
Pleasant Grove, Utah 84062

Dear Mr. Moeller:

Re: Permitting & Bonding Status, Yellow Hammer Mine, M/045/019, Tooele County, Utah

Pursuant to our telephone conversations, I am writing to establish that for the Yellow Hammer Mine, American Consolidated Mining Company (ACMC) has met the basic permitting and bonding requirements of the Utah Mined Land Reclamation Reclamation Program. The Division is presently establishing a Certificate of Deposit (C.D.) to accommodate the bonding requirements for the Yellow Hammer site. This C.D. will utilize the \$16,600 in funds provided to the Division by check to satisfy the bonding requirements for this minesite. Upon establishment, you will be notified of the account numbers, and of a date after which the interest on this C.D. will accrue to ACMC.


**ACMC is reminded that the Yellow Hammer Mine is permitted only for reclamation of the existing mining-related disturbances. This site does not have an approved mine development plan. The permit must be amended before any new mine site development commences. The reclamation bond would have to be adjusted accordingly.**

As you know, there are other outstanding ACMC reclamation and bonding obligations that are not resolved. Specifically, the Clifton exploration project area (E/045/052). Division personnel last inspected this site with you on May 8, 1990. We are presently preparing a reclamation surety estimate for this greater than five (5) acre disturbance. The Bureau of Land Management has requested that we include the exploration disturbances created by ACMC on the associated with public lands adjacent to the Clifton site in our reclamation estimate.

Page 2  
Mr. William Moeller  
M/045/019  
June 6, 1990

I anticipate resolution of these remaining permitting issues in the near future, and appreciate your willingness to work towards that end with the Division.

Sincerely,

A handwritten signature in cursive script, reading "Lowell P. Braxton".

Lowell P. Braxton  
Associate Director, Mining

jb  
cc: Steve Brooks, Pony Express RA, BLM  
Wayne Hedberg  
Tony Gallegos  
WMN/4-5